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## BUDGET UNIT BRIEF – FY 2018

Fiscal Services Division

December 17, 2017



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Des Moines, Iowa 50319

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# Gaming Enforcement Revolving Fund

## Purpose and History

Prior to July 1, 2010, the Department of Public Safety (DPS) billed the gaming industry through the Iowa Racing and Gaming Commission (IRGC) for 100.0% of the regulatory fees. These fees include direct and indirect support costs such as supplies, equipment, fuel, and costs associated with support personnel. The gaming industry reimbursed regulatory fees to the General Fund on a weekly basis. The Gaming Enforcement Revolving Fund was created during the 2010 Legislative Session. Since July 1, 2010, receipts from the gaming industry have been deposited in the Gaming Enforcement Fund rather than the General Fund. The Division of Criminal Investigation (DCI) Special Enforcement Operations Bureau no longer receives funding from the General Fund, but instead receives funding from the Gaming Enforcement Revolving Fund.

## Special Enforcement Operations Bureau

The Special Enforcement Operations Bureau of the DCI is in charge of both criminal investigations and regulatory enforcement of the laws and rules applicable to gambling in Iowa. The gaming industry is required to pay a regulatory fee for the salaries of no more than three special agents for each gambling facility. As of October 2017, there were three racetracks and 15 riverboat/land-based casinos in Iowa.

## Funding

The amount to be expended from the Fund and the number of FTE positions is capped in the Justice System Appropriations Bill. For FY 2018, the Gaming Enforcement Revolving Fund appropriation is \$10.8 million and 73.0 FTE positions. In FY 2014, SF 447 (Justice System Appropriations Act) eliminated Gaming Enforcement officer positions and maintained Special Agent II FTE positions at gaming establishments. If additional gambling licenses are granted, the Justice System Appropriations Bill also provides for an increase of \$300,000 in the spending authority for the costs of personnel and support associated with each new license issued.

## Amusement Devices/Social and Charitable Gambling

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### More Information

Iowa Department of Public Safety: [www.dps.state.ia.us/index.shtml](http://www.dps.state.ia.us/index.shtml)

Iowa Racing and Gaming Commission: [irgc.iowa.gov](http://irgc.iowa.gov)

Gaming Operations Bureau: [www.dps.state.ia.us/DCI/gamingoperations/parimutual.shtml](http://www.dps.state.ia.us/DCI/gamingoperations/parimutual.shtml)

Senate File 447: [www.legis.iowa.gov/legislation/BillBook?ga=85&ba=sf447](http://www.legis.iowa.gov/legislation/BillBook?ga=85&ba=sf447)

Gaming Operations Bureau Report: [www.legis.iowa.gov/docs/publications/DF/804734.pdf](http://www.legis.iowa.gov/docs/publications/DF/804734.pdf)

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The Bureau also conducts routine inspections and criminal investigations into video lottery devices, amusement devices, and lottery pull-tabs. They also oversee raffles, carnival games, and bingo. Agents conduct investigations into illegal forms of gaming, including sports bookmaking, high-stakes poker, and cockfighting.

### **Required Reports**

Beginning in 2015, the DCI has been required to provide an annual report on January 15. The report details the activities of the previous fiscal year to the IRGC, the chairpersons and ranking members of the Justice System Appropriations Subcommittee, and the Legislative Services Agency (LSA). Additionally, the DCI is required to report to the chairpersons and ranking members of the Justice System Appropriations Subcommittee and the LSA regarding its review of the number of special agents at each gambling facility by July 1, 2020. The review must include comments from the IRGC and licensees. The DCI and the gaming industry filed the latest report, which provided details of the activities of gaming enforcement officers and special agents, on December 31, 2016.

### **Related Statutes and Administrative Rules**

Iowa Code sections [80.43](#), [99D.14](#), and [99F.10](#)  
Iowa Administrative Code [661](#)